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Letter dated 19 June 2013 from the Secretary-General addressed to the President of the Security Council

I have the honour to transmit the attached communication dated 12 June 2013 from the Secretary-General of the North Atlantic Treaty Organization, Mr. Anders Fogh Rasmussen, forwarding a report on the operations of the International Security Assistance Force in Afghanistan, covering the period from 1 February to 30 April 2013 (see annex).

I should be grateful if you could bring the present letter and its annex to the attention of the members of the Security Council.

(*Signed*) **BAN** Ki-moon

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Annex

Letter dated 12 June 2013 from the Secretary-General of the North Atlantic Treaty Organization addressed to the Secretary-General

In accordance with Security Council resolutions 1386 (2001) and 2069 (2012), I attach a report on operations of the International Security Assistance Force covering the period from 1 February to 30 April 2013 (see enclosure). I would appreciate this report being made available to the Security Council.

(*Signed*) Anders Fogh **Rasmussen**

Enclosure

Quarterly report to the Security Council on the operations of the International Security Assistance Force

I. Introduction

1. The present report, submitted pursuant to the request under Security Council resolution 2069 (2012), informs the United Nations on the progress of the International Security Assistance Force (ISAF) during the period from 1 February 2013 to 30 April 2013.

2. Throughout the reporting period, ISAF continued to assist the Government of Afghanistan in accordance with relevant Security Council resolutions.

3. As ISAF reduces in size and strength, it continues to inform and consult closely with the United Nations Assistance Mission in Afghanistan (UNAMA).

4. Since the last report, the total number of ISAF troops has continued to decrease, in accordance with NATO redeployment planning. As of 30 April, there were 84,571 ISAF personnel in theatre, provided by 28 NATO and 22 non-NATO countries.

5. NATO reiterates its invitation to additional United Nations Member States to support this United Nations-authorized mission. States Members of the Organization are also invited to provide funding support to the Afghan National Security Forces (ANSF) and the civilian sectors supporting governance and development.

6. Transition is continuing. Tranche 4 is under way, with 87 per cent of the population living in areas where ANSF have lead security responsibility.

7. ISAF, supported by the international community, continued to prepare to transfer those tasks that NATO will no longer perform after 2014 to the Government of Afghanistan or other national or international agencies, as appropriate.

8. Improvements in the effectiveness of ANSF, along with joint ANSF and ISAF operations, have rendered insurgent operations largely ineffective. In addition, improved security in populated areas has resulted in insurgent activity affecting a smaller proportion of the Afghan population than in previous years. During this reporting period the number of reported security incidents continued a downward trend when compared to the same period during the past three years.

9. During this past quarter, the insurgency was responsible for approximately 85 per cent of total civilian casualties.[1,2] ISAF continues to work with the ANSF to make every effort to protect the Afghan population and to prevent and mitigate civilian casualties.

10. From 1 February to 30 April 2013, ISAF suffered 206 casualties, including 15 killed in action, 184 wounded in action and 7 non-battle related deaths. This significant decrease compared to the same period in 2012 (54 killed in action and 633 wounded in action) is attributed to the fact that ANSF is continuing to take the lead in providing security in Afghanistan and is operating independently.

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[1] Total civilian casualties refers to confirmed civilian casualties (deaths and injuries) directly attributable to ISAF or insurgent military action.

[2] ISAF-caused civilian casualty figures include road traffic accidents.

11. Corruption is still assessed to be the greatest threat to security transition and mission success. ISAF continues to assist the Government of Afghanistan in its effort to counter corruption in the security sector.

12. ISAF continues to promote the role of women and to emphasize the importance of gender balance within ANSF, the Government of Afghanistan, Afghan civil society and ISAF, in accordance with Security Council resolution 1325 (2000) and related resolutions.

13. ISAF remains committed to monitoring and reporting abuse perpetrated against children by armed actors, in line with Security Council resolution 1612 (2005).

II. Afghan National Security Forces

14. Overview: ANSF have demonstrated sufficient operational effectiveness to support the assumption of leading security activities. ANSF development continues to focus on enhancing the capability and professionalism of the Afghan National Army and the Afghan National Police. ANSF continue to improve in capacity and operational effectiveness, currently leading the majority of all conventional operations. ANSF have achieved more than 95 per cent of their end-strength objective of 352,000. As the Afghan National Army, the Afghan National Police and the Afghan Air Force approach their final end-strengths, the focus of force development will continue to shift from quantity and growth to quality and sustainability. Despite continued improvement, ANSF continue to struggle in terms of sustainability, attrition levels, leadership and enabling capabilities.

15. Afghan National Army: during the reporting period, the Afghan National Army grew in size to approximately 178,000 of its 187,000 end-strength goal, a growth of nearly 88,000 since November 2009. There are 416 women in the Afghan National Army. Monthly attrition is on the way down, with the latest month's average at 2.5 per cent and a 12-month average of 2.7 per cent. However, the continued high attrition has resulted in the end-strength goal being shifted from October 2012 to mid-year 2013. Recruitment and development remain on track to meet end-state objectives. On average there are 19,000 soldiers in training on a given day, in 120 concurrent courses.

16. ANSF combat units continue to improve. For example, in late 2012 only one of the 23 brigades of the Afghan National Army was rated as "independent with advisers", but now the corps, 4 brigades and 23 kandaks are rated "independent with advisers". Challenges include leadership development, improvement of ministry capacity and aviation strength and the establishment of the systems, processes and institutions needed to sustain a modern, professional force. Another 6 corps/divisions, 16 brigades and 71 kandaks are rated as "effective with advisers".

17. Afghan Air Force: during the reporting period, the Afghan Air Force grew in size to approximately 7,000 of the 8,000 end-strength goal, a growth of almost 3,500 personnel since January 2010. There are currently 44 women in the Afghan Air Force. Attrition rates remain at or below the overall goal of 1.4 per cent, with the latest month's average of 1.2 per cent and a 12-month average of 1.24 per cent. Currently, 198 pilots are in training, with 115 in flight training and 83 in English-language training. The Force remains on track with recruitment and is expected to

reach its end-state ceiling in December 2014, as scheduled, although it will not be mission capable until 2017.

18. Afghan National Police: during the reporting period, the Afghan National Police grew in size to approximately 152,000 of the 157,000 end-strength goal, a growth of approximately 56,000 personnel since November 2009. Approximate strength by type is: Afghan Uniformed Police 110,000, Afghan Border Police 25,300 and Afghan National Civil Order Police 14,700. Currently there are approximately 1,500 women serving in the Afghan National Police and nearly 6,400 police in training every day. Attrition rates remain at or below the overall goal of 1.4 per cent, with a March 2013 average of 1.2 per cent and a 12-month average of 1.0 per cent. Although recruitment was temporally halted to balance the force, both recruitment and development are on track to meet their end-state objective. Police units have improved during the reporting period, with 44 units rated as "independent with advisers" and 86 units rated as "effective with advisers".

19. Afghan Public Protection Force: in August 2010, the President of Afghanistan issued Presidential decree 62, directing the disbandment of all private security companies throughout Afghanistan. The Afghan Public Protection Force was established as a State-owned enterprise to replace such companies. Many of the private companies are/were contracted by troop-contributing nations to ISAF to provide security for ISAF sites, national logistical convoys, military construction and international construction projects in Afghanistan. In March 2011, a "bridging strategy" for Presidential decree 62 was signed, allowing private security companies to continue to operate, while the Afghan Public Protection Force continued to develop its business and operational capabilities to a satisfactory level. The NATO Training Mission-Afghanistan is responsible for assisting the Afghan Public Protection Force in the development of a trained force. The ISAF joint command is tasked with executing the site transition of Force locations from private security companies to the Afghan Public Protection Force. The Afghan Public Protection Force represents a close to 14,000-man public guard force, operational since March 2012, which provides security at nearly 200 sites. All current contracts made with private security companies by ISAF and troop-contributing nations through national channels were scheduled to transition to the Afghan Public Protection Force by 20 March 2013.

20. On 10 March 2013, the Afghan Ministry of Interior issued a statement indicating that diplomatic sites will continue to be exempt from Presidential decree 62. Private security companies involved in diplomatic site/transit security must have a valid license from the Ministry, which is renewed annually. Presidential decree 62 is in effect for convoys as of 21 March 2013. The Afghan Public Protection Force has assumed control of convoy security, and through its national operations centre and its regional operations centres it successfully manages the convoy security requirements that amount to roughly 40 convoys and 500 vehicles per day. To date, the Afghan Public Protection Force has been able to secure all ISAF-related convoys requested through the national operations centre. The Force works with ISAF to develop a seamless transition to assume responsibilities from private security companies at ISAF bases. Two Regional Command-Capital and one Regional Command-East location have been chosen for proof of principle sites. Bala Hissar and the new Kabul compound (both Regional Command-Capital) have successfully completed transition to the Afghan Public Protection Force, and Gamberi (Regional Command-East) is scheduled to complete transition to the Afghan Public Protection

Force no later than 20 June 2013. Regarding ISAF fixed sites, mobile security and development projects, ISAF has received verbal assurance from the Afghan Ministry of Interior that Presidential decree 62 will be enforced gradually after 20 March 2013 so that the full transition of all fixed sites can occur in a comprehensive and orderly manner.

III. Transition

21. On 31 December 2012, President Karzai announced tranche 4 for provinces and districts to enter the transition process. ANSF now have the lead security responsibility for 87 per cent of the Afghan population and 23 out of the 34 provinces. The announcement of tranche 4 sets the stage for the implementation of tranche 5. By mid-2013, it is expected that all parts of Afghanistan will have begun transition, as outlined by the nations contributing to ISAF and the Afghan Government in the Chicago Summit Declaration on Afghanistan of 21 May 2012. NATO remains committed to supporting its Afghan partners.

IV. Transfer of International Security Assistance Force tasks

22. Based on the lessons learned from transition processes in Bosnia and Herzegovina, Kosovo and Iraq, the commander of ISAF directed the establishment of the NATO-Afghan Transformation Task Force, which reached initial operating capability on 1 January 2013. Its mission is to dispose of (transfer or terminate) ISAF's civil-military tasks in a deliberate fashion, allowing as much time as possible for task-receiving organizations to conduct resource reallocation in order to enable the orderly transition to the post-2014 operation environment. The NATO-Afghan Transformation Task Force works in close cooperation with NATO, the United States Central Command, the US Inter-agency Task Force, the Government of Afghanistan, UNAMA and the donor community in establishing the processes, coordination mechanisms, milestones and timelines to be used, as well as in identifying priorities, critical issues and the recommended disposition of tasks. It is expected the counterpart within the Government of Afghanistan will be established as soon as the process matures. The NATO Task Force, which has identified less than 400 tasks and put them on a master task list, is also in the process of identifying potential capability gaps and presenting them for discussion not only within the NATO chain of military command, but also across the international community. Examples include: civil airspace management; communications infrastructure; counter-narcotics and counter-corruption activities; policing; and the rule of law. The Task Force is also conducting an outreach campaign, sharing the message that the NATO commitment to Afghanistan remains strong, that this process is the next logical step in the normalization of relations, an opportunity to build up the capability of the Government of Afghanistan and a meaningful demonstration of Afghan sovereignty, which will help build a strategic partnership between NATO and Afghanistan.

V. Security situation

23. During the last quarter, enemy-initiated attacks[3] continued a steady decline when compared to the same quarter in 2012. However, despite the loss of freedom of movement in the urban areas, the insurgency maintained a degree of cohesion and the operational capability to operate in Kandahar and Helmand Provinces and in the eastern part of Afghanistan. During the reporting period, the insurgency was responsible for approximately 85 per cent of civilian casualties. Because ANSF is taking over responsibility for a greater proportion of the mission, reporting does not flow directly through NATO channels but must be collected from ANSF and translated prior to being entered into the NATO database. These changes have resulted in a data backlog that precludes the reporting and comparison of exact figures within the timelines required for the present report. For these reasons, only general trends for enemy-initiated attacks will be reported for the foreseeable future.

24. Guidance from the insurgent leadership continues to emphasize avoiding decisive engagements and giving priority to the use of improvised explosive devices (IEDs), the main contributor to the high number of civilian casualties caused by the insurgents. Attempts to conduct assassinations, co-option and intimidation against ANSF and officials of the Government of Afghanistan will continue and possibly increase, in an attempt to disrupt the ability of the Government to carry out effective governance.

25. The insurgency continues to affect the southern and eastern parts of Afghanistan, with the vast majority of the violence occurring within ISAF Regional Commands Southwest, South and East. Although the insurgency appears to present a united front in the fight against the Government of Afghanistan and ISAF, there is a disagreement among factions on the conditions required for the insurgency to enter the Afghan political process, which may create rifts among the insurgents. It is anticipated that, in the forthcoming quarter, insurgents will attempt to maintain the pressure against the Government of Afghanistan and ISAF, with an expected normal seasonal increase in violence that will be slightly lower than in 2012.

26. Regional Command Southwest: enemy-initiated attacks for the reporting period continued to decrease when compared to the same period in 2012, but while such attacks decreased significantly, Helmand Province is still home to 7 of the 10 most active districts in Afghanistan. This characteristic, which has remained constant over the years, highlights the importance of the Province to the insurgency, largely due to the narcotics-derived income originating there. Northern Helmand districts remain contested by the insurgency. While security in the main population centres has been largely maintained, the insurgency has had some success in the surrounding areas. The ability of ANSF to maintain control within the populated areas remains key to its success while the Government of Afghanistan attempts to instil good governance and economic opportunity by reducing corruption and malign influences.

27. Regional Command South: enemy-initiated attacks for the reporting period continued to decrease when compared to the same period in 2012. During this quarter, insurgents were focused on replenishing its stores of lethal aid for the 2013

[3] Enemy-initiated attacks comprise enemy action (enemy-initiated direct fire, indirect fire, surface-to-air fire) and explosive hazard events, to include executed attacks only (improvised explosive device (IED) explosions/mine strikes).

fighting season. Anti-Taliban sentiment grew in Regional Command South, and several villages rose up against the Taliban. Similar events could potentially occur in neighbouring villages, giving the Government of Afghanistan an opportunity to show its ability to improve the living conditions of the population, and thus increasing its popularity. Nevertheless, insurgents continue to attempt to regain influence over the population and to regain control over key areas, including Kandahar and Highway 1. Direct fire and IEDs remain the insurgents' main methods of targeting ANSF and ISAF, with an emphasis on the assassination of officials of both the Government of Afghanistan and ANSF. Despite insurgent efforts, the improvement of the abilities of ANSF and the Government likely will decrease the influence and control of the insurgents over the population.

28. Regional Command East: enemy-initiated attacks during the reporting period increased compared to the same period last year as a result of the intensified operational tempo set by ANSF. Despite this increase, security incidents in Regional Command East followed typical seasonal trends and were concentrated along the borders with Pakistan and in areas near the main lines of transportation. In addition, local dynamics and historical grievances played a major role and had a significant impact on the overall security situation. In this regard, cooperation between ANSF and Pakistani forces intensified, remaining critical to defeating insurgent activity in the border areas and discouraging the transport of supplies and fighters into the region from Pakistan. In some districts there were uprisings against Taliban influence which resulted in a response from the insurgents. Increased efforts on the part of ANSF to limit insurgent freedom of movement has continued to create a positive influence on security in Regional Command East. Cooperation between ANSF and Pakistani forces is also crucial to this effort.

29. Regional Command North: while enemy-initiated attacks increased in Regional Command North, the region continues to be relatively quiet, representing approximately 5 per cent of the total incidents in Afghanistan. Most of the incidents continue to occur in the Baghlan-Kunduz corridor, which is the most unstable area in the region, and in Faryab Province. In Faryab Province, ISAF redeployment operations have allowed the insurgency to challenge ANSF and attempt to expand beyond Pashtun pockets. Destabilizing factors in Regional Command North include: permanent insurgent networks; criminal activities close to the border; poor governance (particularly at the district level); and conflict of interest between regional powerbrokers. However, it is still unlikely that the insurgency will increase its influence beyond the region, given the continuous pressure imposed by Afghan security institutions on insurgent leadership, as shown by the expansion of Afghan Local Police and the growth of anti-Taliban sentiments in Badakhsan Province.

30. Regional Command West: there has been little change in the number of enemy-initiated attacks in Regional Command West when compared to the same period in 2012. Due to pressure from ISAF and ANSF, the Taliban continued to increase their use of the southern districts of Farah Province. The increase in Pashtun-dominated insurgent activities in the central part of Badghis Province has increased the concerns of non-Pashtun populations.

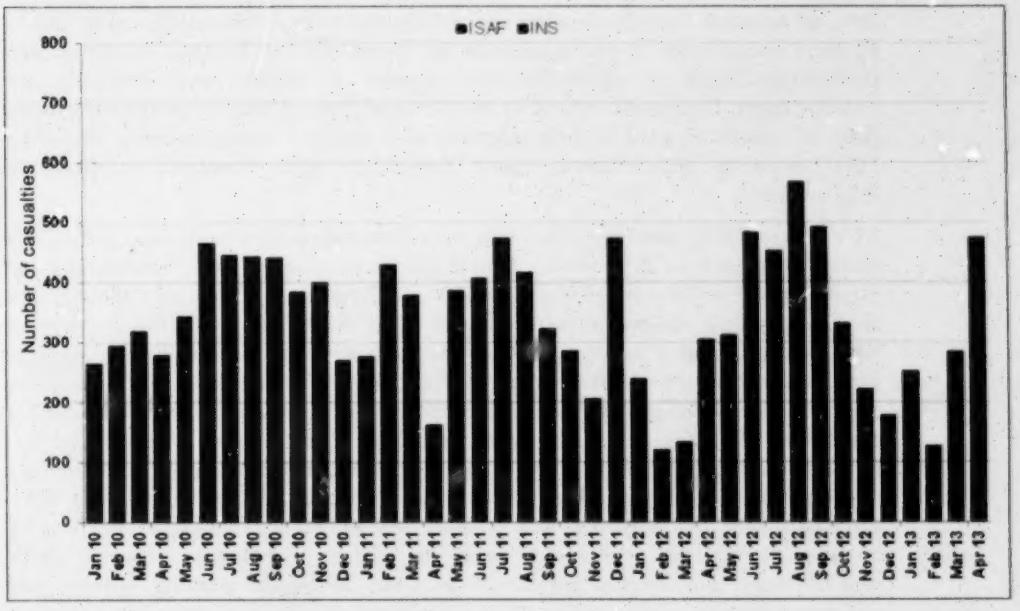
31. Regional Command Capital: insurgents continued to focus their efforts on attacking Kabul, but they struggled to gain access to targets as the National Directorate of Security and ANSF proactively disrupted threats. The main tactic used by the insurgents in the region remained the high-profile attack. Those that

garnered the most media attention included a bicycle suicide bomber outside the Ministry of Defence and the overrun of the Afghan traffic police headquarters in January.

VI. Civilian casualties

32. Overall, civilian casualties continue to be of significant concern to ISAF and the Government of Afghanistan. Minimizing the number and scale of civilian casualties remains of crucial importance for ISAF. Civilian casualty tracking and mitigation capability has been established with the Government of Afghanistan. ISAF is assisting in mentoring and monitoring the full implementation of a robust Afghan civilian casualty mitigation system, which is also pivotal for the post-2014 period.

Civilian casualties: January 2010-April 2013



33. With regard to ISAF and insurgent-inflicted civilian casualties[1,4] during this quarter (1 February-30 April 2013), the total number of confirmed civilian casualties is 59 per cent higher in comparison to the same period in 2012, mostly due to the increase in insurgent-caused civilian casualties by 66 per cent. However, in the same period ISAF-caused civilian casualties declined by 25 per cent. Insurgents are still responsible for 85 per cent of civilian casualties, mainly due to indiscriminate IED strikes and complex attacks. The insurgents are killing Afghan civilians in an attempt to exert a level of control over the local population through fear and intimidation. ISAF and the Government of Afghanistan stand committed to ridding Afghanistan of this threat so that all Afghans can live without fear.

[4] ISAF-caused civilian casualty figures exclude road traffic accidents.

34. Civilian casualties during this quarter show a pattern similar to the 2012 annual trend, with the exception of a concerning rise in indiscriminate insurgent violence against Afghan civilians.

35. As ISAF hands over security responsibilities to ANSF, it is assumed that the number of ISAF-caused civilian casualties will continue to decrease. ISAF has made a tremendous effort to minimize civilian casualties by reviewing directives and operational procedures, promoting transparency, working with ANSF to enhance civilian casualty mitigation efforts and building the ANSF capability to effectively conduct operations to counter attacks using IEDs.

VII. ISAF redeployment and ground lines of communication

36. During the quarter, ISAF troop-contributing nations have carried on with the planned redeployment of their personnel and equipment out of theatre. This activity continues to be coordinated by ISAF and executed by the contributing nations. To date, all personnel and the vast majority of equipment have been redeployed, mostly by air. Ground lines of communication have continued to improve, while air and multimodal lines of communication remain accessible and available for redeployment. Diplomatic efforts by NATO headquarters have opened most ground lines of communication in both northern and southern redeployments, including NATO-brokered and bilateral transit agreements with countries neighbouring Afghanistan.

37. Nevertheless, challenges continue to present themselves, with most difficulties arising as a result of the complex border and customs procedures, bureaucracy and regulations of neighbouring States. NATO and ISAF are working with those States to ensure that the equipment being shipped out of Afghanistan is in full compliance with the transit nation's own regulations. Several successful proofs of principle have been executed or are still ongoing. Additionally, ISAF forces have experienced the usual delays along ground lines of communication owing to seasonal weather conditions. With the changing weather conditions and the assessment of lessons learned with regard to proofs of principle, more cargo redeployment by ground lines of communication is anticipated in the next quarter. Synchronization of the ISAF campaign with redeployment and base drawdown remains essential, with work ongoing across the command chain to ensure coherence between ISAF redeployment and preparation for a possible follow-on training, advice and assistance mission.

38. There has been an overall decrease in the force level of 3 per cent during the reporting period; the reduction has been largely achieved through the elimination of posts that have not received a commitment from troop-contributing nations for 2013.

VIII. Implementation of Security Council resolution 1325 (2000)

39. Concerning the implementation of Security Council resolution 1325 (2000), advisers of the NATO Training Mission-Afghanistan are working with their Afghan counterparts to find the most appropriate places to assign women in order to achieve the best result for the Afghan National Army. The Afghan Air Force is very proud of the success of its female trainees. Although their numbers are still small, female personnel appear to be respected by their leadership. However, the Afghan National Army Recruiting Centre has not achieved its recruiting goal of 50 women, owing to

the requirement for ethnic balancing. It is recommended that the Ministry of Defence reconsider the need to maintain an ethnic balance for the small cadre of women in the Afghan National Army. NATO Training Mission-Afghanistan advisers for the Ministry of Defence and the Ministry of Interior are working on creating a plan to facilitate recruitment. In addition, coalition advisers are working closely with Army recruiters to build the requirements for an advertising campaign to attract women to the armed forces. Various training efforts for all ranks are ongoing in a number of different training and education facilities, focusing on topics such as: Security Council resolution 1325 (2000), security awareness, defence training, anti-harassment/anti-violence against women, and human rights and fair treatment of women.

40. Within ISAF, gender advisers have noted that, as a result of increased attention from leadership, they have increasingly been able to apply their expertise. With this increased leadership support, gender is slowly moving to a position of measurable importance, relevance and effectiveness. The presence of qualified gender advisers remains instrumental to supporting commanders and staff in the integration of gender in planning and operations, and in subsequent execution and evaluation efforts. Gender advisers at ISAF headquarters continue to brief all newcomers during the basic induction training exercises conducted within the first couple of weeks of arrival in theatre, at which all staff of ISAF headquarters are informed of their obligation to implement a gender perspective into their work. The training of female engagement teams has been conducted in order to establish a more professional female engagement capacity. The teams are still the only entities that are able to engage with certain parts of the population; if utilized effectively, they can be a helpful force multiplier.

41. A variety of collaborative projects with Afghan and international non-governmental organizations and international organizations have been initiated nationwide, covering a wide array of topics aimed at women's empowerment. Projects include: educational endeavours, including skills and vocational education; health-related projects focusing on reducing maternal mortality; and the construction of midwifery training facilities. Gender advisers at ISAF headquarters have also met with United Nations counterparts to coordinate efforts and avoid duplication. They also continue their work with the Ministry of Women's Affairs and maintain a good relationship with contacts there.

IX. Counter-narcotics programmes

42. In conjunction with other actors in the international community, ISAF will continue to provide support to the counter-narcotics programmes of the Government of Afghanistan and to operations directed against facilities and facilitators supporting the insurgency in Afghanistan. ISAF will also synchronize its operations with the poppy cultivation cycle, in order to maximize the disruptive effects and further support this aim as well as being a key enabler of the civilian and law enforcement counter-narcotics efforts.

43. There is evidence of increasing levels of opium poppy cultivation in the 2012/2013 growing season. Farmers are not mono-cropping opium, and they are returning to the farming system that includes products for home consumption, such as wheat, in response to a perception that the crop failure of the 2010-2012 period might reoccur. However, not only do more farmers appear to be cultivating poppy

but crops appear to be unaffected by the environmental factors which have plagued the sector in recent years, revealing a potential for a record opium yield this year. As a result of this increase in cultivation and yield, the sustainability of the reduced levels of cultivation achieved since 2009 are at risk.

44. Governor-led eradication is currently ongoing. Initial indications, which show less corruption in 2013 than in 2012, is attributed to the actions of local police. While some farmers have accepted eradication as a punitive measure for cultivating poppy, other farmers have protected their crops through direct attacks on ANSF, or by flooding fields and erecting blockades to prevent or limit governor-led eradication efforts. Similarly, insurgents have supported cultivation through improvised explosive device attacks or direct attacks, to discourage eradication.

45. There is a growing anger towards the Government in areas where improved security has been accompanied by a ban on opium production and the conduct of poppy eradication without increased economic opportunity. Not only has this caused poppy cultivation to migrate to less secure areas, it is also causing reductions in the amount of land being used for licit agriculture in these areas, including the Helmand "food zone".

46. Reporting continues to indicate that poor harvest revenue in 2012 has impacted the narcotics-derived income of the insurgents nationwide. This decrease is not only the result of the poor harvest, but also the result of a lack of tax collection in areas from which the Taliban has been pushed out as well as loss of profits to corrupt State actors. The Taliban has become more active, encouraging opium cultivation in order to garner the support of the rural population and facilitate the collection of harvest-related taxation. It is likely that the Taliban will seek ways to maximize revenue this season in view of the expected increase in the levels of opium poppy cultivation.

47. The number of counter-narcotics operations conducted and narcotics and precursor chemicals seized are assessed to be on par with 2012. Counter-narcotics operations demonstrate progress in disrupting the trade, although the effects of sustained law enforcement efforts remain temporary.

48. There will be no longer-term impact on the Afghan narcotics trade unless counter-narcotics programmes are sustained and convictions are upheld. The trade remains dependent on both the Afghan will and capacity to conduct operations and the endemic corruption, which plagues all levels of Government. Therefore, programmes to improve capabilities at all levels remain vital to ensure Afghanistan is able to sustain counter-narcotics programmes after the transition in 2014. Unless security is maintained through transition, corruption is addressed and there is the political will and capacity to conduct counter-narcotics operations, the narcotics trade will continue to thrive.

X. Governance

49. The limited institutional capacity of the Government of Afghanistan and Government corruption remain among the greatest impediments to long-term stability and sustainable security in the country. In particular, subnational governance continues to be challenged by lack of security, lack of funding from central Government, poor lines of communication and weak levels of accountability to the central Government. The Tokyo Mutual Accountability Framework continues

to be the principal mechanism by which the international community links financial support to improved governance.

50. ISAF concentrates its efforts in supporting the Ministry of Defence, the Ministry of Interior and the High Office of Oversight and Anti-Corruption in order to assist in implementing and enhancing Afghan procedures for accountability and transparency. In addition, it acts as a facilitator of discussions between Afghan ministries, representatives of the international community, the Afghan business community and civil society.

XI. Development

51. According to the International Monetary Fund (IMF), the economic outlook for Afghanistan remains broadly positive and growth and inflation rates were better than expected in 2012. However, challenges remain over the slowing of growth in domestic revenue generation and the fiscal sustainability in the medium-term if the real economy does not grow and the high costs of the security sector cannot be reduced.

52. With regard to licit employment in Afghanistan, almost 40 per cent of the Afghan workforce remains unemployed, and the lack of progress in the industrial sector, especially mining, limits employment prospects. The eventual downsizing of ANSF and the reduced presence of the international community will further reduce licit employment possibilities in Afghanistan.

53. The evolution/dissolution of the provincial reconstruction teams continues, with ISAF working on the handover of tasks to Afghan Government ownership. The process is an ordered, fully transparent and coordinated one, which is in line with the ISAF campaign plan. To attain this objective, the process of dissolution of each provincial reconstruction team is heavily dependent on cooperation between the nations responsible for the operation of each reconstruction team and the Government of Afghanistan, supported by ISAF and the international community. Presidential decree 45, dated 26 July 2012, provided a strong impetus for the process. The decree mandated the Independent Directorate of Local Governance to develop a mechanism, in cooperation with other relevant ministries and stakeholders, to replace the activities of the reconstruction teams with government structures. The Independent Directorate of Local Governance has agreed to the proposal of the NATO senior civilian representative on co-chairing the Transition Executive Steering Committee once a month in order to take advantage of the presence of the nations responsible for each reconstruction team to brief them on the evolution process being led by the Independent Directorate of Local Governance and the base and asset transfer process being led by the Ministry of Finance.

54. The Independent Directorate of Local Governance has now completed and coordinated a framework for the evolution/dissolution of the provincial reconstruction teams, which clarifies the roles and responsibilities of all stakeholders. The document was forwarded to the Office of Administrative Affairs to be considered and prepared for the President of Afghanistan, who approved it in March 2013. ISAF, the office of the NATO senior civilian representative and provincial reconstruction team nations have been consulted while the framework was developed. The document sets out a method by which the Government of Afghanistan could analyse the activities of the provincial reconstruction teams, decide those activities it intends to accept and determine how it will absorb them in

terms of personnel and funding. The exact date for the closure of each provincial reconstruction team is primarily driven by national decisions, but it is also determined by base closures, troop withdrawals and the loss of enabler support, such as medical evacuation capacity, quick reaction forces and logistics supplies. The Government is kept apprised of best estimates on closure dates to assist with its planning.

55. By the end of 2013, the number of provincial reconstruction teams will decrease to 11. The first half of 2013 sees the closure of the team of the Czech Republic in Logar, the Hungarian team in Baghlan, the New Zealand team in Bamyan and the United States teams in Paktika and Zabul Provinces. The main issues are interministerial coordination within the Government of Afghanistan and the sustainability of the activities presently performed by the reconstruction teams. The Afghan authorities at the provincial and central governance level will face a challenge in identifying and commanding sufficient resources and capacities to maintain all assets and capacities now provided by the provincial reconstruction teams.